

CCG CONSULTING INC

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TN REGULATORY AUTHORITY
DOCKET ROOM

April 2, 2003

ORIGINAL

Mr. Joe Werner
Chief of Telecommunications
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

Re: CommuniGroup of Jackson, Inc. – Docket No. 03-00172

Dear Mr. Werner:

Please find enclosed on behalf of CommuniGroup of Jackson, Inc., an original and 13 copies of responses to your data request dated March 19, 2003.

We respectfully request that the enclosed *Return Stamped Copy* of this transmittal letter be returned to us in the self-addressed stamped envelope provided as confirmation of receipt.

Should you have any questions, please feel free to contact Marj Kimmett, Regulatory Specialist on 301-209-0266.

Sincerely,



Terri K. Firestein
Consultant to CommuniGroup of Jackson, Inc.

COMMUNIGROUP OF JACKSON, INC.
DOCKET NO. 03-00172

1.Q. Why is Telephone Electronics Corporation ("TEC") establishing a separate entity in Tennessee for the provisioning of telecommunications services?

1.A. TEC has for a long time had a separate entity, CommuniGroup of Jackson, Inc., ("CommuniGroup") providing long distance service in Tennessee. CommuniGroup is approved as an interexchange carrier in Tennessee. CommuniGroup is applying for CLEC status in order to provide re-sold BellSouth services within the BellSouth territory. CommuniGroup does not plan to offer CLEC services in those areas served by its affiliates, Crockett, Peoples and West Tennessee Telephone.

2.Q. Will the Applicant share officers, management, employees, accounting functions, operational functions, etc. with any of TEC's affiliated entities in Tennessee? If so, please provide a copy of a cost allocation manual and procedures that will be used to prevent cross subsidization between the Tennessee affiliates.

2.A. The Applicant will share certain officers with TEC that are neither compensated by, or active in the business of CommuniGroup of Jackson, Inc. The Applicant will not share management, employees, accounting functions, operational functions, etc. with any of TEC's affiliated entities in Tennessee. Therefore, there will be no cross subsidization between the Tennessee affiliates.

3.Q. For ratemaking purposes, will the profits generated by CommuniGroup be imputed into the operations of Crockett, Peoples and West Tennessee Telephone?

3.A. No profits of CommuniGroup will be imputed into the operations of Crockett, Peoples or West Tennessee Telephone except as required by law.

4.Q. Provide facts and relevant information to demonstrate that this application meets the requirements of 47 CFR 64.1903.

4.A. This application meets the requirements of 47 CFR 64.1903. We provide the following statements as demonstration:

- a) CommuniGroup will maintain separate books of account from its affiliated exchange companies.
- b) CommuniGroup will not jointly own transmission or switching facilities with its affiliated exchange companies.
- c) CommuniGroup will acquire any services from its affiliated exchange companies at tariffed rates, terms and conditions. None are presently contemplated.
- d) CommuniGroup is a separate legal entity.

5.Q. Does granting CommuniGroup's application prevent Crockett, Peoples and West Tennessee Telephone from maintaining a rural exemption under 47 USC 251 (f)?

5.A. No, granting CommuniGroup's application will not prevent Crockett, Peoples and West Tennessee Telephone from maintaining a rural exemption under 47 USC 251 (f).